

## Message Text

CONFIDENTIAL

PAGE 01 PEKING 00763 210757Z  
ACTION EA-12

INFO OCT-01 EUR-12 ISO-00 SP-02 USIA-06 AID-05 EB-08  
NSC-05 TRSE-00 SS-15 STR-07 OMB-01 CEA-01 CIAE-00  
COME-00 FRB-03 INR-10 NSAE-00 XMB-02 OPIC-03  
LAB-04 SIL-01 L-03 H-01 DODE-00 PA-01 /103 W  
-----068664 210758Z /20

R 210738Z MAR 78  
FM USLO PEKING  
TO SECSTATE WASHDC 0187  
INFO AMEMBASSY BUDAPEST  
AMCONSUL HONG KONG

C O N F I D E N T I A L PEKING 0763

E.O. 11652: GDS  
TAGS: ETRD CH HU  
SUBJ: SINO-HUNGARIAN TRADE FOR 1978

1. HUNGARIAN COMMERCIAL COUNSELOR RECENTLY TOLD USLO OFFICER CHINESE SIGNED THE 1978 TRADE AND PAYMENTS AGREEMENT WITH HUNGARY ON FEBRUARY 27. AGREEMENT FOR 1978 STIPULATES TOTAL TRADE OF SWISS FRANCS 224 MILLION, COMPRISED OF SF 110 MILLION IN CHINESE EXPORTS AND SF 114 MILLION IN CHINESE IMPORTS. THE 1978 TOTAL IS A 17 PERCENT INCREASE OVER 1977 TOTAL OF SF 192 MILLION. THE 1977 AGREEMENT STIPULATED BALANCED TRADE (SF 96 MILLION IN CHINESE EXPORTS SF 96 MILLION IN IMPORTS). HOWEVER, CONTRACTS ACTUALLY CONCLUDED LAST YEAR TOTALED SF 82 MILLION OF THE CHINESE EXPORT SIDE AND SF 86 MILLION OF CHINESE IMPORTS AND THE IMBALANCE THIS YEAR IS TO BRING TRADE BACK INTO BALANCE.

2. PRINCIPAL CHINESE IMPORTS FROM HUNGARY FOR 1978:  
MACHINE TOOLS; SCIENTIFIC AND MEDICAL INSTRUMENTS;  
ROLLED STEEL (PIPES AND PLATES) - 7,000 TONS; BLACK  
AND WHITE TV SETS (50,000); TRUCKS (500); BUSES (40);  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PEKING 00763 210757Z

ALUMINUM INGOTS (250 TONS); AND A CHICKEN BREEDING  
FARM, WHICH HAS BEEN UNDER DISCUSSION FOR TWO YEARS.

3. PRINCIPAL CHINESE EXPORTS FOR 1978: TEXTILES;  
CLOTHING; HANDICRAFTS; PORCELAIN; CLOCKS; ARTWORK;  
OTHER MISCELLANEOUS LIGHT INDUSTRIAL PRODUCTS; CANNED  
FRUIT AND VEGETABLES; AND CHEMICALS (MAINLY FOR

PHARMACEUTICAL MANUFACTURE).

4. ALL TRADE IS CONDUCTED ON A CLEARING ACCOUNT BASIS;  
THERE IS NO FREE TRADE PORTION. OTHER THAN THE USUAL  
DIFFICULTY IN REACHING AGREEMENT ON PRICES IN THE  
CONTRACTS NEGOTIATED UNDER THE OVERALL AGREEMENT, THERE  
HAVE BEEN NO PARTICULAR PROBLEMS IN SINO-HUNGARIAN  
BILATERAL TRADE, ACCORDING TO THE SOURCE.  
WOODCOCK

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 21 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978PEKING00763  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780123-1258  
**Format:** TEL  
**From:** PEKING  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780342/aaaabjpa.tel  
**Line Count:** 71  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** d63361c0-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 11 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3255387  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SINO-HUNGARIAN TRADE FOR 1978  
**TAGS:** ETRD, CH, HU  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/d63361c0-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014